

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK

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In re

Lisa Maria Abbott

Chapter 11

Case No. 20-42907- REG

Debtor.

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**DECLARATION OF LEO JACOBS IN SUPPORT OF  
ARTICLE 13, LLC'S OPPOSITION TO DEBTOR'S MOTION FOR ORDERS  
DISMISSING INVOLUNTARY CHAPTER 11 CASE, WITH ADDITIONAL REQUESTS  
FOR ABSTENTION AND DAMAGES, PURSUANT TO 11 U.S.C. §§ 305(a) AND 303(I),  
WITH POINTS AND AUTHORITIES**

Leo Jacobs declares under penalty of perjury that the following is true and correct:

1. I am an attorney admitted to practice before the Courts of the State of New York and the United States District Courts for the Southern and Eastern Districts of New York. I am the sole member of the Leo Jacobs PC (the "Firm"), which maintains offices for the practice of law at 8002 Kew Gardens Road, Suite 300, Queens, New York 11415. I am duly authorized to make this supplemental declaration (the "Declaration") on behalf of the Firm.

2. I submit this declaration in support of Article 13, LLC's Opposition (the "Opposition") to Lisa Maria Abbott's (the "Debtor") Motion for Orders Dismissing Involuntary Chapter 11 Case, With Additional Requests for Abstention and Damages, Pursuant to 11 U.S.C. §§ 305(A) and 303(I), With Points and Authorities (the "Motion").

3. On or about August 7, 2020, I caused an involuntary chapter 11 petition (the "Petition") to be filed on behalf of Article 13 LLP ("Article 13"), the petitioning creditor, against the Debtor. A true and correct copy of the Petition is annexed hereto as **Exhibit A**.

4. The Clerk of Court issued a *Summons to Debtor in Involuntary Case* on August 7, 2020 (the “Summons”). A true and correct copy of the Summons is annexed hereto as **Exhibit B**.

5. On October 22, 2020, I caused a *Summons Not Executed on Lisa Maria Abbott* to the Court to be filed, to which the Court issued a *Supplemental Summons to Debtor in Involuntary Case* (the “Second Summons”). A true and correct copy of the Second Summons is annexed hereto as **Exhibit C**.

6. On October 22, 2020, I caused both the Petition and the Second Summons to be served on the Debtor and I subsequently filed a certificate of service with the Court indicating the same. A true and correct copy of the certificate of service is annexed hereto as **Exhibit D**.

7. As set forth in the Petition, on or about September 18, 2006, the Debtor executed and delivered various documents in connection with a loan the Debtor obtained from Alliance Mortgage Bank (“Alliance”) for \$215,000 (the “Loan”). As part of the Loan the Debtor executed a note (the “Note”), which was secured by a mortgage (the “Mortgage”) on the Debtor’s property located at 53 Van Buren Street, Brooklyn, New York 11221 (the “Property”). A true and correct copy of the Mortgage is annexed to the Petition as Exhibit 1.

8. The Loan was subsequently recorded on September 28, 2006 in the Office of the City Register of the City of New York, File No. 2006000547617.

9. On January 17, 2008, the Mortgage was assigned to Artee Fin, LLC, who then subsequently assigned the Mortgage to 168 Halsey, LLC (“Halsey”) on February 26, 2018, who then assigned the Mortgage to Article 13. Each time the Mortgage was assigned, the respective assignee recorded their interest in the Office of the City Register of the City of New York. A true and correct copy of the note and allonge to Article 13 is annexed hereto as **Exhibit E**. The lender

has the original note in its possession, and had same at the time of the commencement of this action.

10. On or about July 2, 2020, I caused Article 13 to record the assigned Mortgage in the Office of the City Register of the City of New York, File No. 2020000189643. A true and correct copy of the recorded Mortgage from each assignment is annexed to the Petition.

11. On or about July 6, 2020, letter correspondence was sent from THE MARGOLIN & WEINREB LAW GROUP, LLP on behalf of Article 13 LLC (the “Correspondence”) notifying the Debtor that significant amounts were due and outstanding under the Loan and that she was at risk of losing the Property. A true and correct copy of the July correspondence is annexed hereto as **Exhibit F**.

12. I am in no way affiliated with Halsey, nor do I have any membership or possessory interests in Halsey.

13. I am in no way affiliated with Article 13, outside of my role as legal counsel to this creditor in this action. I do not have any membership or possessory interests in Article 13.

14. Sometime in August 2017 I became aware of the Debtor’s action initiated in New York Supreme Court, Kings County, Index No. 10329-2014 (the “State Court Action”) against ABC Investors Management Corp., Anthony Harris, H.A. Jones Realty & Management and Van Buren Group, Inc., seeking to set aside and nullify certain deeds and mortgages related to the Property.<sup>1</sup> The State Court Action is ongoing. A true and correct copy of the Complaint filed in the State Court Action is annexed hereto as **Exhibit G**.

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<sup>1</sup> On or about July 21, 2016, the Court ordered that the State Court Action’s caption be amended to include Van Buren Group, Inc. as a co-defendant.

15. Notwithstanding the ongoing State Court Action, on or about May 2018, 168 Halsey LLC received communications from the Debtor to discuss a potential short sale of the Property.

16. For all of the reasons explained in the Opposition filed simultaneously with this Declaration, the Debtor's Motion should be denied in its entirety.

Dated: November 2, 2020  
Queens, New York

/s/Leo Jacobs  
Leo Jacobs